

Housing Supply and Affordability Federal Budget 2022-23

The Albanese Labor Government's first Budget sets out a comprehensive plan to increase the supply and affordability of housing, including the aspiration to build one million new homes by 2029 under a new Housing Accord with state and territory governments and other key stakeholders.

Housing Australia

The National Housing Finance and Investment Corporation (NHFIC) is being renamed to become Housing Australia. Housing Australia will have responsibility over the delivery of the Government's \$10 billion Housing Australia Future Fund, and have the remit of its National Housing Infrastructure Facility expanded to more flexibly deploy up to \$575 million to unlock over 5,500 projected new dwellings, accelerate housing supply and seek to attract more institutional capital to the sector.

Housing Australia Future Fund

The Albanese Government is delivering on a key election commitment to establish a \$10 billion Housing Australia Future Fund, which aims to build 30,000 new homes in its first five years.

The 30,000 new homes built under the Housing Australia Future Fund will be made up of:

- 20,000 new social housing dwellings (4,000 of which will be dedicated to women and children impacted by family and domestic violence and older women at risk of homelessness); and
- 10,000 new affordable housing dwellings.

Housing Accord

The Housing Accord, struck between the Federal Government, state and territory governments and other key stakeholders, aims to build one million new affordable homes over the five years from 2024.

The new housing stock will be delivered largely by the market, however the Commonwealth is kicking off investment with a \$350 million commitment to deliver 10,000 affordable dwellings under the accord (in addition to investment under the Housing Australia Future Fund). The States and Territories have agreed to support the delivery of an additional 10,000 affordable housing dwellings, bringing the total public sector contribution under the Accord to 20,000 dwellings.



Support for Home Buyers

Regional First Home Buyer Guarantee (RFHBG)

The Commonwealth is guaranteeing up to 15 per cent of the purchase price for 10,000 first home buyers a year in regional Australia. The Guarantee also enables eligible first home buyers to purchase a home with as little as 5% deposit without paying Lenders Mortgage Insurance.

To be eligible, applicants must have lived in the regional area or adjacent regional area they are purchasing in for the preceding 12-month period to the date they execute the home loan agreement, and earn no more than \$125,000 for individuals or \$200,000 for couples.

Further information on the RFHBG, including eligibility requirements, can be found [here](#).

Supporting veterans to purchase a home

The Albanese Government is committing \$46.2 million to expand access to the Defence Home Ownership Assistance Scheme to support Australian Defence Force (ADF) personnel and veterans to purchase their own home. The expansion will reduce the minimum service periods for subsidised mortgage interest payments and remove the current post separation timeframe to allow veterans to access the scheme any time after they leave the ADF.

Help to Buy

Delivering on another election promise, the Budget includes \$324.6 million over 4 years from 2022–23 to establish the Help to Buy scheme to assist people on low to moderate incomes to purchase a new or existing home with an equity contribution from the Government.

Helping older Australians who want to downsize

To help free up housing stock for young families, the Australian Government is extending the exemption of home sale proceeds from pension asset testing from 12 months to 24 months, and is expanding access to downsizer superannuation contributions for people aged 55 to 59.

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